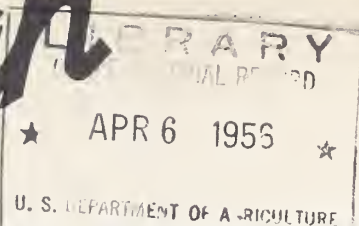


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Foreign CROPS AND MARKETS



FOR RELEASE MONDAY, APRIL 2, 1956

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L A T E N E W S

Tunisian olive oil prices resumed their climb in early March, a late report indicates. On March 15 spot quotations at Sfax for "lampante" grade were 350 francs per kilogram (45.4 cents per pound); "surfine" was quoted at 380 francs (49.2 cents), and "extra" at 390 francs (50.5 cents). (See "Tunisia's 1955-56 Olive Oil Production Revised Upward" on Page 445).

BELGIAN WHEAT IMPORTS REDUCED BY CHANGES IN DOMESTIC MIXING REGULATION

Action taken by the Belgian Government in September and November, 1955 to raise the compulsory incorporation rate for domestic wheat in flour milling has been an important factor in reducing that country's wheat import requirements.

Wheat imports during the first 6 months (July-December) of the current 1955-56 marketing season amounted to only 202,300 metric tons 1/ compared with 404,500 tons in the same period a year ago, a reduction of about 50 per cent. The increase in the incorporation rate for domestic wheat was considered necessary to maintain prices for home-grown wheat at desired levels, especially in view of heavy marketing from the record Belgian crop harvested in July-August, 1955.

Belgium's 1955 wheat crop of 714,400 metric tons provided an increase of 162,300 tons in the total wheat supply available for the 1955-56 marketing season over the quantity available for consumption in the preceding year. The 1955 crop was above average in quality. The incorporation rate for domestic wheat, which is subject to change by the Government whenever necessary, was raised from 50 to 60 per cent in September, and to 65 per cent in November, 1955.

The increase in the incorporation rate is reflected in a reduction of approximately 40 per cent in mill consumption of imported wheat and an increase of 55 per cent in the use of domestic wheat during the first half of the current season compared with the same period a year ago. Total mill consumption of wheat during the same 6-months period declined by approximately 35 thousand tons.

Belgian Mill Consumption and Mixing Regulations for Wheat

Season	Mill Consumption		Incorporation	
	July 1 to December 31		of	
			Domestic Wheat	
	Metric Tons	Metric Tons	Per Cent	
1954-55.....	350,791	193,664	35 to 50	
1955-56.....	219,554	299,872	50 to 65	

Control of the incorporation rate for domestic wheat in flour milling is the primary method used by the Belgian Government to maintain free market prices at levels fixed by the Government before the beginning of each season. These levels, known as "directional prices", advance during the current 1955-56 marketing season, as they did a year ago, from 450 francs per quintal (\$2.40 per bushel in August to 490 francs (\$2.62 per bushel) in June.

1/ 1 metric ton 36.74 bushels.

The directional prices apply to domestic spring and winter wheat of average milling quality delivered to mills. This year, a sum of 20 francs per quintal (11 cents per bushel) is deducted from the price received by the grower in order to provide a subsidy to millers. This subsidy is used to prevent a rise in flour prices which might otherwise result from the compulsory use of larger quantities of higher priced domestic wheat.

The domestic incorporation rate is not expected to be increased beyond its present level of 65 per cent during the remainder of 1955-56 because of the possible effect upon the price and quality of bread. At its present level, the incorporation rate is expected to reduce Belgium's 1955-56 wheat imports substantially below the 682,400 metric tons imported during 1954-55. The country's wheat imports averaged 740,000 metric tons annually during the period 1950-51 to 1954-55. Canada, United States and Argentina were the major sources of supply during that period.

FRANCE'S WINTER WHEAT CROP DAMAGED

Damage to the French wheat crop during the February cold wave was heavy, according to a recent official statement. Though still too early for a definite appraisal of the damage, the Ministry of Agriculture tentatively places the total acreage destroyed at around 5 million acres. That would leave approximately 6.2 million acres of winter wheat for harvest. Of that total, however, some 3.7 million acres were estimated to have been severely damaged and will undoubtedly yield considerably less than usual.

Spring wheat acreage is not expected to exceed 1.2 million acres. Factors mentioned as restricting more extensive spring seeding include: shortage of seed of suitable varieties; shortage of time for preparation of land, and the intention of many farmers to reseed to barley, which yields higher than spring wheat in most areas. Cold weather in early March was a deterrent to preparation of land for spring seeding.

Since it is too early to estimate crop damage objectively or forecast reseeding accurately, these preliminary estimates must be considered as indications only. However, assuming average yields (or 13 percent less than the large 1955 yields) on a total acreage of 7.5-8.5 million acres, a sharply reduced crop now seems certain and any exportable surplus would be small.

Exports for the current season are also being curtailed because of the poor outlook for the 1956 crop. As of February 15 it was announced that no further sales for export would be permitted this year, but that contracts totalling 72 million bushels already accepted would be honored. This is in contrast with the expected 85 million bushels, the same as in 1954-55.

As soon as the seriousness of the damage to the winter crop became apparent, French authorities began considering the possibility of importing wheat. Imports of about 5.5 million bushels were authorized for spring seeding but, in addition, consideration was given to the importation of wheat for feed and for milling. Such imports would prevent stocks from falling to a low level and ensure continuance of exports of flour to established markets. Latest indications are that the Government is prepared to import 11 million bushels of wheat this season if financing can be arranged under the International Cooperation Administration program.

The bulk of such imports are expected to be No. 2 Red Winter wheat but part might be No. 2 Hard Winter. Such imports would permit improvement of the quality of the flour by admixture of high grade United States wheat, especially if part of the imports are hard winter wheat. About 7 million bushels of the planned imports would be required to permit mills to fill flour contracts already concluded, without reducing stocks too severely. Domestic wheat would be milled for export as flour and United States wheat would replace stocks used for that purpose.

The French Government has announced a subsidy for all seed sold to farmers for spring reseeding. This subsidy amounts to the equivalent of 93 cents per bushel. Regarding the import of wheat for reseeding, though importation of about 5.5 million bushels of suitable varieties has been authorized, it is not expected that all this wheat will be seeded.

Close to 2 million bushels of this quantity is Manitoba wheat which was to have been purchased in Western European ports or afloat. This would probably be used for milling if imported since much of it will arrive too late for distribution to farmers before seeding time. Import licenses provided for entry of this wheat up to March 31. Many farmers hesitate to seed imported wheat since they feel that much of it is poorly adapted to conditions in France.

The actual amount of reseeding of wheat will depend to some extent on the weather. Unfavorable conditions held up work during early March and field work in Northern France did not get well under way until mid-March. Farmers first tried to seed alternate varieties, which must be in the ground by mid-March to make a crop. Following that they would seed spring varieties. However, since spring wheat is somewhat lower yielding, a significant switch to barley is anticipated with a surplus of barley for export resulting.

A higher price for producers is recommended for the 1956 season. Present recommendations call for the maximum price, before taxes, possible under the present formula. This would result in a base price, before taxes, the equivalent of over \$2.88 per bushel, compared with the present rate of \$2.64 per bushel. A guaranteed price for barley was recommended at 75 percent of the wheat price.

Damage to fall-sown barley and oats was also heavy. Present estimates point to destruction of about half of the acreage of these grains, which losses, however, are less significant since Fall acreage of these grains is a small proportion of the total. Heavy spring seeding is expected to replace the losses and a larger area than in 1955 is expected for barley and it is believed that the total acreage of oats may also be larger. Little damage was reported to the rye crop.

CANADA ANNOUNCES INTENDED GRAIN ACREAGE

A slight net decrease in Canada's spring grain acreage is indicated in the report of farmers intentions on March 1, as released by the Dominion Bureau of Statistics on March 21. This is an early report on intentions to plant, such reports in Canada having been released in mid-way prior to last year.

Being such an early report, it is emphasized that intended acreages are merely indicative of farmers plans on March 1 and the acreages actually seeded, therefore, may vary considerably from the intended figures, depending on weather conditions before and during actual seeding. The report notes that additional factors, such as the availability of good seed and the possible effect of this report itself on farmers' plans may contribute to changes in acreages currently indicated.

On the basis of the report, acreage in spring wheat, barley, and rye will be moderately lower than in 1955. Partially offsetting these declines are intended increases in oats and mixed grains. At the same time an unprecedented flaxseed acreage is planned. That sharp increase over the already high level is apparently affecting the acreage in summerfallow in the Prairie Provinces. Present plans call for reducing the land in fallow by a million acres.

If current plans are realized, wheat acreage in Canada in 1956 will register its fourth consecutive decrease. Present plans call for 20.2 million acres of spring wheat, a decrease of more than 0.7 million acres from 1955 seedings and 4.8 million acres less than the 1950-54 average. The major part of the expected decrease is in the Province of Alberta. Winter wheat acreage is placed at 0.64 million acres, moderately above the 1955 acreage. The combined acreage of winter and spring wheat, as indicated, would be the smallest since 1943 and about 19 percent below the 1950-54 average.

Barley acreage of 9.5 million acres would be about 4 percent below the 1955 area but still exceed the 1950-54 average by 20 percent. Declines in Manitoba and Saskatchewan account for most of the expected reduction.

Intended acreage of oats is about 6 percent above the 1955 total. The present prospect of 11.9 million acres is not only above the 1955 level but is well above the 5-year average. Virtually, all of the increase is expected to take place in the Prairie Provinces, fairly evenly divided among the 3 Provinces.

The area intended for spring rye is placed at 0.16 million acres. This is about 22 percent below last year's level. With a more than 25 percent decrease in the area seeded to fall rye, the total acreage is 24.5 percent below the 1955 acreage and only half the 1950-54 average.

Acreage of mixed grains is now expected to be about 1.8 million acres, compared with 1.7 million in 1955. The bulk of the increase is planned for Alberta.

Land under summerfallow is expected to be 22.9 million acres, compared with 24 million in 1955. The expected reduction is divided between Manitoba and Saskatchewan. No change is expected in Alberta's 6.5 million acres in fallow.

CANADA: Intended acreage of grain crops and summerfallow,
1956 with comparisons

Crop	Seeded area			Intended area	
	1953	1954	1955	1956	As percent of 1955
	1,000	1,000	1,000	1,000	
	acres	acres	acres	acres	Percent
Winter wheat 1/	732	710	582	640	110.0
Spring wheat	24,781	23,557	20,924	20,208	96.6
Total	25,513	24,267	21,506	20,848	96.9
Oats for grain	9,830	10,161	11,178	11,852	106.0
Barley	8,911	7,856	9,932	9,487	95.5
Fall rye 1/	1,031	672	569	424	74.6
Spring rye	463	178	211	165	78.0
Total	1,494	850	780	589	75.5
Mixed grains	1,445	1,633	1,705	1,847	108.3
Summerfallow 2/	22,764	25,253	23,965	22,944	95.7

1/ Seeded in the fall of the preceding year.

2/ In Prairie Provinces only.

From reports of the Dominion Bureau of Statistics.

CANADIAN WHEAT EXPORTS SHOW DECLINE
BUT UPSWING EXPECTED

Canadian exports of wheat and flour during the first half (July-December) of the 1955-56 fiscal year amounted to 116 million bushels compared with 141 million during the first half of 1954-55, a decline of 17.7 per cent. Exports of wheat as grain declined by 21 million bushels but flour exports (grain equivalent) declined by only 4 million.

Canadian Exports of Wheat and Flour During Stated Periods

Destination	July-December 1954			July-December 1955		
	Wheat	Flour	Total	Wheat	Flour	Total
Western Hemisphere	(Thousands of bushels, grain equivalent)					
United States.....	2,103	214	2,317	3,141	372	3,513
Central America.....	-	210	210	49	1,030	1,079
British West Indies....	12	2,637	2,649	18	2,631	2,649
Cuba.....	739	426	1,165	228	332	560
Colombia.....	1,167	562	1,729	-	141	141
Venezuela.....	20	2,009	2,029	52	1,911	1,963
Ecuador.....	1,084	2	1,086	799	-	799
Peru.....	-	44	44	210	24	234
Others.....	6	1,445	1,451	1	789	790
Total.....	5,131	7,549	12,680	4,498	7,230	11,728
Europe						
Norway.....	2,328	-	2,328	1,963	-	1,963
United Kingdom.....	49,203	7,709	56,912	42,189	5,015	47,204
Ireland.....	1,553	-	1,553	1,342	-	1,342
Netherlands.....	8,412	2	8,414	2,538	-	2,538
Belgium-Luxembourg....	9,701	-	9,701	6,502	39	6,541
West Germany.....	15,343	252	15,595	10,229	207	10,436
Austria.....	782	-	782	1,739	-	1,739
Switzerland.....	3,002	-	3,002	2,226	-	2,226
Poland.....	-	-	-	2,404	-	2,404
Italy.....	637	72	709	1,825	141	1,966
Yugoslavia.....	3,620	9	3,629	-	7	7
Others.....	942	117	1,059	1,408	140	1,548
Total.....	95,523	8,161	103,684	74,365	5,549	79,914
Asia						
Lebanon.....	3,000	50	3,050	-	61	61
India.....	1,835	-	1,835	-	-	-
Japan.....	12,201	463	12,664	15,852	393	16,245
Philippines.....	-	2,966	2,966	-	2,667	2,667
Others.....	250	1,034	1,284	1,491	770	2,261
Total.....	17,286	4,513	21,799	17,343	3,891	21,234
Africa						
Libya.....	224	-	224	-	-	-
British West Africa....	-	784	784	-	738	738
Union of South Africa..	723	-	723	1,678	-	1,678
Belgian Congo.....	-	401	401	-	445	445
Others.....	514	63	577	248	91	339
Total.....	1,461	1,248	2,709	1,926	1,274	3,200
Oceania	-	57	57	-	68	68
World Total	119,401	21,528	140,929	98,132	18,012	116,144

The decline in wheat exports during this 6-months period was due mainly to smaller shipments to the United Kingdom, the Netherlands, West Germany, Yugoslavia, Belgium and Lebanon. Substantially increased shipments were made to Japan, Poland and Italy. The decline in flour exports is accounted for almost entirely by reduced shipments to the United Kingdom, Colombia and the Philippine Republic.

While exports during the first 6 months (July-December) of the current year are substantially under those for the same period last season, Canadian grain authorities believe that the total for the year will not fall below and may even exceed the 253.5 million bushels moved out during 1954-55 (July-June). One of the reasons for this belief is the substantial sales this year to Iron Curtain countries. No Canadian wheat was shipped to that area last year.

SWITZERLAND'S TRADE IN DAIRY PRODUCTS IN 1955

Switzerland's exports of cheese in 1955 were down approximately 2 percent from 1954 and also 1938. The principal markets for this commodity were again Italy and the United States. Overall exports of condensed milk were 6 percent below 1954, but more than 30 percent under 1938. Most of the shipments of condensed milk were again directed to the Republic of the Philippines, Thailand and French West Africa.

Imports of butter into Switzerland in 1955 were considerably higher than in 1954 and 1938. Supplies from all the principal sources were larger than in the earlier years, with by far the largest quantities coming from Denmark and the Netherlands. Cheese imports were markedly higher than in 1955, with Italy supplying approximately 77 percent. Switzerland's imports of condensed milk were appreciably higher in 1955, most of which came from the Netherlands.

Switzerland: Trade in dairy products, 1955, with comparisons

	1938	1953	1954	1955
	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds
Exports:				
Cheese.....	47,583	40,325	47,500	46,586
Condensed milk.....	14,407	9,043	10,612	9,951
Imports:				
Butter.....	344	13,076	4,431	13,075
Cheese.....	3,359	5,806	6,239	7,780
Condensed milk.....	11	3,599	3,827	5,451

WORLD BUTTER AND CHEESE PRICES

DAIRY PRODUCTS: Wholesale prices at specified markets, with comparisons

(In U. S. Cents Per Pound)

Country, market and description	Butter				Cheese			
	Date 1956	Price	Quotations		Date 1956	Price	Quotations	
			Month earlier	Year earlier			Month earlier	Year earlier
United Kingdom (London)								
New Zealand finest grade.....	Mar. 1	43.5	47.9	42.8	-	-	-	-
New Zealand finest white.....	-	-	-	-	Mar. 1	34.2	34.1	19.0
Australia (Sydney)								
Choicest butter.....	Mar. 2	45.3	45.3	41.8	-	-	-	-
Choicest Cheddar.....	-	-	-	-	Mar. 2	27.5	27.5	25.7
Irish Republic (Dublin)								
Creamery butter (bulk).....	Mar. 2	48.9	48.9	48.9	-	-	-	-
Cheese.....	-	-	-	-	Mar. 2	30.8	30.8	30.8
Denmark (Copenhagen)	Mar. 1	50.5	50.2	43.9	-	-	-	-
France (Paris)								
Charentes Creamery butter...	Mar. 5	95.0	92.4	83.3	-	-	-	-
Germany (Kempten)								
Markenbutter.....	Feb. 29	67.9	66.8	65.2	-	-	-	-
United States								
92-score creamery (N.Y.)....	Mar. 2	58.1	58.1	57.9	-	-	-	-
Cheddar (Wisconsin) 1/.....	-	-	-	-	Mar. 2	33.1	33.1	32.9
Netherlands (Leeuwarden)								
Creamery butter.....	Feb. 25	n.a.	49.8	50.1	-	-	-	-
Full cream Gouda.....	-	-	-	-	Feb. 24	26.0	24.3	25.4
Edam 40 percent.....	-	-	-	-	Feb. 24	23.6	22.0	23.7
Belgium (Hasselt)	Mar. 1	78.3	84.5	86.2	-	-	-	-
Canada (Montreal)								
1st grade creamery.....	Feb. 18	58.4	58.4	61.4	-	-	-	-
Ontario white.....	-	-	-	-	Feb. 18	30.5	30.5	30.0

Sources: Intelligence Bulletin, The Commonwealth Economic Committee; U. S. Consular Reports; and The Dairy Division, Agricultural Marketing Service, U.S.D.A.

1/ Previously the Wisconsin Cheese Exchange price was used with this report; the price at Wisconsin assembly points is now being used since it more truly represents the support price situation.

SHIFT FROM MILK TO BEEF URGED IN U. K.

The annual price review and determination of guarantees has been completed for 1956 under the terms of the United Kingdom's Agricultural Act of 1947. Insofar as the dairy industry is concerned it is pointed out that milk production is continuing to expand, but there has been no corresponding increase in the consumption of fluid milk. While granting an increase to producers of about 5.5 cents a hundredweight, the Review Committee suggests that more of the output should come from home-grown feed and stated that some change-over from milk production to beef was practicable and desirable.

The guaranteed average price per hundredweight for milk is \$4.355 against \$4.30 for 1955.

The United Kingdom is the largest importer of dairy products in the world and its domestic production of milk is directed mainly toward fluid consumption. In 1955 about 78 percent of the milk produced and marketed under the Milk Marketing Scheme in Britain was consumed in fluid form. The largest manufacturing use of this milk was in the manufacture of cheese which took about 7.5 percent of the approximately 20 billion pounds of milk marketed in 1955. In 1955 the United Kingdom manufactured about one-third of the cheese consumed in the country while producing less than 5 percent of the butter consumed.

CANADIAN IMPORTS OF POULTRY MEAT FROM JANUARY 1 TO MARCH 3, 1956

Imports of dressed poultry into Canada between January 1 to March 3, 1956 were 400 percent greater than during the same period last year. Import statistics indicate that the entire amount came from the United States.

Imports of Dressed Poultry from January 1 to March 3

	1955	1956
	<u>Pounds</u>	<u>Pounds</u>
Chickens.....	-----	213,489
Fowl.....	348,487	1,277,508
Turkeys.....	95,913	523,706
Others.....	52,745	46,732
Total.....	497,145	2,061,435

JAPAN PLANS RICE IMPORTS
FOR FISCAL YEAR 1956

Plans of the Japanese Food Agency of the Ministry of Agriculture and Forestry include the import of 1,160,000 metric tons of rice in the 1956 Japanese fiscal year (April 1956-March 1957) budget. This is about the same amount as planned in the preceding (1955-56) fiscal year for the import of 1,195,000 tons. Purchases are to be for 475,000 tons of short-grain and 665,000 tons of long-grain rice.

Tentative countries of origin for rice to be imported are given in the following table. Rice imports from the United States are not included in the purchase program for 1956-57. Though this breakdown is subject to considerable change, it does indicate that the Japanese do not expect the price of United States rice to be competitive.

JAPAN: Tentative import program for rice in the 1956 fiscal year
(April 1, 1956 - March 31, 1957)

Country of origin	First half (April-Sep- tember 1956)	Second half (October 1956- March 1957)	Total	Official estimated price C&F	
	Metric tons	Metric tons	Metric tons	Dollars per metric ton	Dollars per 100 pounds
<u>Short-grain rice:</u>					
Taiwan	50,000	100,000	150,000	155	7.03
China	50,000	100,000	150,000	155	7.03
Spain	30,000	55,000	85,000	140	6.35
Italy	20,000	30,000	50,000	140	6.35
Egypt	0	40,000	40,000	140	6.35
Total	150,000	325,000	475,000	-	-
<u>Long-grain rice</u>					
Thailand	115,000	185,000	300,000	125	5.67
Burma	100,000	200,000	300,000	125	5.67
Others	65,000	0	65,000	125	5.67
Total	280,000	385,000	665,000	-	-
<u>Broken rice</u>					
Thailand	0	10,000	10,000	100	4.54
Burma	0	10,000	10,000	100	4.54
Total	0	20,000	20,000	-	-
Total, all types:	430,000	730,000	1,160,000	-	-

Source: Food Agency, Ministry of Agriculture and Forestry.

Due to increased availability of black-market indigenous rice, consumers in recent weeks have rejected rations of long-grain rice imported from Burma and Thailand. It is reported that the Ministry of Agriculture and Forestry, therefore, is planning to put imported long-grain rice on free sales effective April 1.

The control over imports and prices by the Government for this type of rice will be continued, but the rice will be put on free sale by removing it from ration. The official sale price of this type is reported to be reduced from 650 yen per 10 kilograms (8.2 cents per pound) to 600 yen per 10 kilograms (7.6 cents per pound).

U. S. RICE EXPORTS DECLINE IN JANUARY

United States rice exports in January of 324,000 bags (100 pounds) in terms of milled rice were less than 425,000 bags in the corresponding month of a year earlier. Ninety-one percent of shipments went to countries in the Western Hemisphere, chiefly Cuba, Bolivia, Canada and Venezuela.

RICE: United States exports to specified countries
by classification, January 1956 1/

Country of destination	Rough		Milled		Total (in terms of milled)
	Unmilled	In terms of milled	Not over 25% whole	Over 25% whole	
Western Hemisphere:					
Canada.....	2,304	1,497	4,853	12,958	19,308
British Honduras.....	0	0	1,000	6,015	7,015
Bermuda.....	0	0	0	50	50
Cuba.....	8,115	5,275	33,000	170,179	208,454
Jamaica.....	0	0	672	0	672
Haiti.....	0	0	0	200	200
Netherlands Antilles..	0	0	100	1,029	1,129
Bolivia.....	0	0	0	43,225	43,225
Venezuela.....	21,200	13,780	0	0	13,780
Total.....	31,619	20,552	39,625	233,656	293,833
Europe:					
Belgium and Luxembourg:	0	0	0	784	784
Total.....	0	0	0	784	784
Asia:					
Japan.....	0	0	0	1,000	1,000
Philippine Republic...	0	0	5,511	0	5,511
Saudi Arabia.....	0	0	0	6,826	6,826
Total.....	0	0	5,511	7,826	13,337
Liberia.....	0	0	0	6,720	6,720
Union of South Africa...	0	0	0	4,251	4,251
Trust territory of the Pacific.....	0	0	3,133	500	3,633
Other 2/	0	0	0	1,610	1,610
Total world.....	31,619	20,552	48,269	255,347	324,168

1/ Preliminary. 2/ Starting with January 1954, "other" includes shipments valued at less than \$500 each when the number of such shipments to a country is few.

Rice exports during the first half (August-January) of the 1955-56 marketing year totaled 5,685,000 bags, an increase of 31 percent over 4,352,000 bags in the like period in the year before. Shipments to Japan amounted to 40 percent of total exports, and were 1,887,000 bags more than in the corresponding months of 1954-55. On the other hand, exports to Cuba were 841,000 bags less than from August to January in the preceding year.

RICE: United States exports, in terms of milled, to specified countries, January 1956, with comparisons 1/

Country of destination :	August-July		August-January		January	
	1953-54	1954-55	1954-55	1955-56	1955	1956
	1,000	1,000	1,000	1,000	1,000	1,000
	bags	bags	bags	bags	bags	bags
Western Hemisphere:						
Canada	633	560	382	279	109	19
British Honduras	17	33	19	20	3	7
Honduras	3	30	14	15	0	0
Haiti	2	124	54	2	2/	2/
Cuba	4,755	3,391	2,657	1,816	231	208
Netherlands Antilles :	53	38	20	17	3	1
Bolivia	5	0	0	153	0	43
Colombia	314	205	182	10	9	0
Venezuela	215	84	58	14	26	14
Other countries	30	10	3	20	1	2
Total	6,027	4,475	3,389	2,346	382	294
Europe:						
Belgium & Luxembourg :	206	460	159	152	5	1
Greece	11	5	5	2/	0	0
Ireland	0	16	16	0	0	0
West Germany	29	38	9	27	0	0
Netherlands	12	71	7	5	0	0
Sweden	1	72	69	7	1	0
Switzerland	57	53	49	16	2	0
Other countries	24	3/ 99	6	3	0	0
Total	340 304	814	320	210	8	1
Asia:						
India	0	0	0	205	0	0
Indochina	0	0	0	220	0	0
Korea, Republic of ..4/	590	2/	2/	0	0	0
Japan	8,538	4,125	393	2,280	1	1
Saudi Arabia	130	136	119	54	8	7
Philippines	2/	25	0	22	0	5
Other countries	25	11	7	7	1	0
Total	9,283	4,297	519	2,788	10	13
Total Oceania	17	19	13	17	2	4
Liberia	67	219	101	100	22	7
French West Africa	0	0	0	200	0	0
Other Africa	6	10	5	13	0	4
Other 5/	8	14	5	11	1	1
Total world	15,748	9,848	4,352	5,685	425	324

1/ Includes brown, broken, screenings and brewers' rice, and rough rice converted to terms of milled at 65 percent. 2/ Less than 500 bags. 3/ Includes 58,000 bags to Trieste and 23,000 bags to Austria. 4/ Adjusted to include all programs of the Department of Defense and the International Cooperation Administration. 5/ Starting with January 1954, "other" includes shipments valued at less than \$500 each when the number of such shipments to a country in a given month is few.

Source: Bureau of the Census, except as noted.

WESTERN GERMANY'S IMPORTS OF BUTTER AND CHEESE INCREASED IN 1955

Western Germany's imports of butter in 1955 amounted to 73.1 million pounds and were more than twice the volume of a year earlier, but only about one-third of prewar. Chief suppliers in 1955 were Denmark with 37.7 million pounds (12.9 million in 1954), and the Netherlands with 20.3 million pounds (9.1 million pounds in 1954). Smaller quantities also were received from New Zealand and Australia.

Imports of cheese have been increasing for several years and in 1955 totaled 141.3 million pounds, compared with 129.0 million pounds in the previous year. Imports in 1938 were 71.7 million pounds. Most of the 1955 imports were supplied by the Netherlands with 79.8 million pounds (73.1 million pounds in 1954), Denmark with 45.1 million pounds (48.2 million pounds in 1954), and New Zealand with 3.8 million pounds (1.3 million pounds in 1954).

KENYA DAIRY INDUSTRY EXAMINED

The Dairy Industry Inquiry Committee set up by the Kenya Minister of Agriculture in November, 1955 has completed its survey and is preparing its report. The inquiry was undertaken by the Minister because with the increasing availability of dairy products in world trade a complete review of the Kenya dairy industry and how it could best sell its products was necessary. One of the items to be considered by the Committee was whether or not some statutory control of the dairy industry was feasible and desirable.

The Committee has made a complete tour of the provinces and set up hearings at many provincial towns where interested parties could present their views to the Committee; nine provincial meetings were held. The Committee also provided that persons not able to submit oral testimony could submit written views to the Committee's headquarters in Nairobi.

IRELAND'S TRADE IN DAIRY PRODUCTS IN 1955

Exports of butter from Ireland in 1955 declined approximately 4.5 million pounds from the 7.5 million pounds exported in 1954. No butter was imported during 1955. Shipments of cheese declined about 35 percent from the 496,000 pounds exported in 1954. Condensed milk exports in 1955 amounted to only 1.1 million pounds, compared with more than 2.7 million pounds a year earlier. Chocolate crumb exports, 74.6 million pounds in 1955, were down 9.9 million pounds from 1954. However, dried milk exports in 1955 were almost double those of 1954, when exports amounted to 1.7 million pounds. Only exports of chocolate crumb and dried milk were above the prewar level.

EGG PRODUCTION IN 1955 AND CURRENT CHICKEN NUMBERS IN SPECIFIED COUNTRIES

Egg production in the reporting countries of the world continued in 1955 the upward trend that has been occurring since World War II. North America and Europe continue to be the principal egg-producing areas.

The Netherlands, Denmark, Ireland, Canada, and the United States were large exporters of eggs. Indications point to an expanded output in 1956 by various European countries, primarily the Netherlands and Denmark, and total production for the reporting countries should be slightly higher than in 1955. The egg-feed price relationship in Europe is expected to continue quite favorable during 1956.

Total chick numbers in the major producing countries in 1955 changed only slightly from 1954. Chicken numbers expanded in the Netherlands, the United Kingdom, Canada, and Ireland. Reductions occurred in Western Germany, Denmark, and the United States.

In 1955 Western Germany, the world's largest importer of eggs, produced 6,060 million eggs. Imports during January-November 1955 reached a record of about 225 million dozen of eggs; 18 percent above January-November 1954. The low market supply of domestic eggs, especially during the summer and fall, and a growing consumer demand, led to increased purchases from nearly all traditional European and overseas supplying countries. Major European sources were the Netherlands (54 percent) and Denmark (25 percent), followed by Poland, Sweden, and Yugoslavia. Overseas suppliers were Argentina, the Union of South Africa, and New Zealand which, however, had a collective share of only about 3 percent of total imports.

Dutch production in 1955 totaled 4,193 million eggs. Approximately 178 million dozen of these eggs were exported. This represents an increase of 5 percent compared to 1954. The most important outlet in 1955 continued to be Western Germany, which took 76.4 percent of total sales, followed by Italy and France which received, respectively, 9.4 and 7.6 percent of total 1955 exports. Average egg quality appears to have declined during 1955 as evidenced by shells becoming weaker and albumen more watery. This is usually associated with high egg production per bird. The Government is urging poultry breeders to give more attention to these factors.

Denmark produced 2,362 million eggs in 1955 and is the world's second largest exporter of shell eggs. During 1955 Denmark exported 139 million dozen eggs, with Western Germany importing 65.5 million dozen and becoming Denmark's leading customer in place of the United Kingdom. This occurred largely as a result of increased demand in Western Germany. The United Kingdom was Denmark's second best customer and purchased 46 million dozen eggs.

EGGS: Number produced 1/ in specified countries, averages
1934-38, 1946-50, annual 1953, 1954, 1955

Continent and Country	: Average 1934-38 Million	: Average 1946-50 Million	: 1953 Million	: 1954 Million	: Preliminary 1955 Million
NORTH AMERICA:					
Canada - Farm	: 2,638	: 4,015	: 4,086	: 4,420	: N.A.
Canada - Total	: 2,863	: 4,382	: 4,200	: 4,709	: 4,643
Mexico	: 1,785	: 1,930	: 2,080	: 2,400	: 2,500
United States - Farm	: 35,498	: 56,269	: 57,892	: 58,933	: 59,485
EUROPE:					
Austria	: 663	: 369	: 845	: 900	: 936
Belgium	: 1,693	: 1,584	: 2,175	: 2,325	: 2,400
Denmark	: 1,979	: 1,447	: 2,155	: 2,364	: 2,362
France	: <u>2/</u> 6,200	: 6,580	: 7,000	: 7,200	: 7,300
Germany, Western	: 4,810	: 2,655	: 5,500	: 6,000	: 5,945
Greece	: 550	: 388	: 525	: 550	: 575
Ireland	: 1,086	: 893	: 1,026	: 927	: 930
Italy	: 5,500	: 4,380	: 5,800	: 5,860	: 5,915
Netherlands	: 1,978	: 1,189	: 3,130	: 3,820	: 4,193
Norway	: 369	: 283	: 420	: 440	: 448
Sweden	: 1,000	: 1,288	: 1,375	: 1,380	: 1,424
Switzerland	: 423	: 486	: 520	: 547	: N.A.
United Kingdom-Total <u>3/4/</u>	: <u>5/</u> 6,675	: 6,370	: 8,616	: 9,156	: 9,660
OTHER COUNTRIES:					
Turkey	: 1,003	: 859	: 1,094	: 1,094	: 1,260
Japan	: 3,553	: 970	: 5,140	: 5,340	: 5,981
Philippine Republic	: <u>6/</u> 738	: 567	: 1,015	: 1,050	: 1,000
Argentina	: 1,127	: 2,760	: 3,150	: 3,500	: 3,330
Brazil	: N.A.	: 3,085	: 4,234	: 4,639	: 4,800
Peru	: N.A.	: N.A.	: N.A.	: 440	: 421
Uruguay	: 289	: 289	: 330	: 320	: 325
Egypt	: 751	: <u>7/</u> 694	: 525	: 530	: 535
Union of So. Africa <u>8/</u>	: 360	: 584	: 970	: 900	: N.A.
Australia-Commercial <u>8/</u>	: 708	: 1,418	: 1,230	: 1,248	: 1,343
Total <u>8/</u>	: 1,848	: 2,388	: 2,220	: 2,280	: 2,400
New Zealand	: 430	: <u>9/</u> 146	: <u>9/</u> 190	: <u>9/</u> 190	: N.A.

1/ Total egg production unless otherwise specified. 2/ 1937. 3/ Years ending May 31 of year stated. 4/ Revised series. 5/ Three-year average. 6/ 1938. 7/ 1947.
8/ Years ending June 30 of year stated. 9/ Receipts at Market Department stations, years ending March of year stated, which accounts for 30-40% of total production.

Foreign Agricultural Service. March 30, 1956.

CHICKENS: Numbers in specified countries, averages
1934-38; annual 1953, 1954, 1955

Continent and Country	:	:	:	:	:	:	:
	:	Average	Average			Preliminary	
	Date 1/	1934-38	1946-50	1953	1954	1955	
		Thousands	Thousands	Thousands	Thousands	Thousands	
NORTH AMERICA:							
Canada	:Dec. 1	: 44,077	: 45,245	: 38,500	: 40,000	: 43,971	
Mexico	:March	:2/ 36,368	: 38,700	: 50,000	: 60,000	: 70,000	
United States	:Jan. 1	: 408,177	: 465,503	: 398,158	: 396,776	: 390,708	
EUROPE:							
Austria	:Dec. 3	:3/ 8,862	: 5,640	: 8,600	: 8,800	: 8,944	
Belgium	:Dec. 31	: 16,500	: 14,069	: 14,200	: 15,000	: 15,100	
Denmark	:July 16	:3/ 27,643	: 22,030	: 24,251	: 25,013	: 23,198	
Germany, Western	:Dec.	:3/ 51,124	: N.A.	: 51,344	: 55,366	: 55,092	
Greece 4/	:Nov. 30	: 11,679	: 8,366	: 11,614	: 12,056	: 12,800	
Ireland	:June	: 15,961	: 16,677	: 15,995	: 13,462	: 13,511	
Netherlands	:Dec.	:5/ 29,632	: 7,864	: 15,709	: 19,778	: 20,202	
Norway	:June 20	: 5,686	: 4,617	: 3,388	: 3,562	: 3,482	
Sweden	: 6/	: 10,980	: 12,467	: 10,932	: 11,777	: 11,648	
Switzerland	:April	:7/ 5,544	: 5,674	: 6,200	: 6,300	: 6,340	
United Kingdom - Farm	:Dec.	:9/ 50,000	: 51,255	: 60,053	: 59,394	: 59,997	
Yugoslavia	:Jan.	: 18,000	:8/ 17,330	: 16,962	:9/ 22,400	:9/ 22,000	
OTHER COUNTRIES:							
Turkey	:	: 16,764	: 18,811	: 21,320	: 21,159	: 21,400	
Japan	:Feb. 1	: 51,094	: 17,192	: 36,586	: 41,805	: 40,502	
Philippine Republic	:Dec. 31	: 22,790	: 15,766	: 37,392	: 42,187	: 47,577	
Brazil	:Dec. 31	: N.A.	: N.A.	: N.A.	: 127,000	: 136,707	
Peru	:	: N.A.	: 9,388	: 11,189	: 11,600	: 12,000	

1/ Year-end estimates (October-December) shown under following year for comparison. Thus, for Canada for example, the December 1, 1953 estimate is shown under 1954. 2/ 1940.
3/ Average 2-4 years only. 4/ All poultry. 5/ June. 6/ September 1937, June 1946-49, April 1950-55. 7/ 1936. 8/ 1949-50. 9/ Estimate.

Foreign Agricultural Service. March 30, 1956.

Italy imported 7.2 million dozen eggs from Denmark, substantially more than in 1954. The removal by Italy of a 12 to 15 percent tariff on eggs from Denmark may have been a factor contributing to increased imports. The tariff reduction was granted to Denmark as compensation for the tariff imposed on Danish cheese. other countries which took sizable numbers of Danish eggs were Switzerland, Venezuela, France and Spain.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U.S. Representatives abroad.

U. S. ALFALFA SEED EXPORTS JANUARY 1956 AT RECORD LEVELS

Shipments of alfalfa during January 1956 reached record levels and total seed exports for the month were 1.5 million pounds over December. Total shipments of seeds for the first seven months of the current crop year were less than one-third of the record levels reached during the corresponding period last year, and were 3.9 million pounds (about 22 percent) less than the 1953-54 July-January period.

U. S. Exports: Grass and Legume Seeds, January 1956, with comparisons

Kind of Seed	January		July 1, 1954, to January 31, 1955	July 1, 1955, to January 31, 1956 1/
	1955	1956 1/		
	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds
Alfalfa.....	1,947	2,518	9,123	6,047
Alsike.....	95	-	519	58
Other clovers.....	1,643	211	9,221	1,248
Fescue.....	271	-	1,189	420
Kentucky bluegrass.....	291	-	936	227
Orchard grass.....	14	-	172	26
Redtop.....	250	-	385	387
Timothy.....	73	-	327	555
Other grasses.....	5,013	1,481	20,353	4,087
Total.....	9,597	4,210	42,225	13,055

1/ Grass and legume seeds data on exports limited to three categories by Bureau of the Census, effective January 1, 1956. "Other clovers" now includes alsike; fescue, etc., have been added to "other grasses".

Compiled from official statistics of the Bureau of the Census.

SOUTH AFRICA ENCOUNTERS DIFFICULTIES IN MARKETING LARGE FRUIT CROPS

Deciduous fruit exporters in the Union of South Africa have encountered numerous problems in marketing their large supplies of fruit this season. The difficulties have arisen in handling of the fruit and securing shipping space.

By careful scheduling, pre-cooling stores in Cape Town, the major fruit port, have been able to handle twice their capacity during the peak season. Shipping costs to European countries have risen 9 cents per box of grapes, and 19 cents per box of apples. Shipping costs of grapes to the United States and Canada have risen as much as 14 cents per box. Despite these rate increases, shipping space is still limited and will likely continue so.

Other adverse factors affecting the marketing of South African fruit are: Increases cost of packing materials, reduced purchases by British canners, increased competition from other countries, and the larger volume of South African fruit to be marketed.

FRENCH GOVERNMENT SETS ADDITIONAL QUOTAS FOR APPLE AND PEAR IMPORTS

The French Government recently announced in the Journal Officiel that a special quota has been established to permit the importation of 643,000 boxes of apples and pears from the Organization for European Economic Cooperation countries. An additional quota is expected to be issued in the near future for apples and pears from the United States.

Unofficial sources indicate that imports from the OEEC countries under this quota will bear an equalization charge of approximately 50 cents per bushel. If the anticipated quota for the United States is established, United States imports would likely be assessed a similar equalization charge.

The special quota is in addition to previous quotas provided under bilateral trade agreements.

WESTERN GERMANY TO IMPORT CANNED AND PROCESSED VEGETABLES

The Government of Western Germany has officially announced the allocation of funds for the importation of specific canned and processed vegetables. In the announcement, 205,000 marks worth of dried tomato flakes for the soup-processing industry are permitted to be imported from the United States. While no customs clearance date has been specified, the deadline for applications is May 15 if applications for the authorized amount have not been accepted before this time.

Applications for the importation of the following canned vegetables were being received from March 24 to 27: Asparagus, peas, beans, spinach, olives, capers, and mixed vegetables. The latest customs clearance date on these imports from overseas countries was set as April 30. No value limit was announced for the canned vegetables.

INTENTIONS FOR 1956 CANADIAN POTATO ACREAGE ANNOUNCED

Canadian potato growers intend to plant 304,000 acres in 1956. This is only slightly lower than the 308,300 acres planted in the 1955 season when a large crop was produced.

NEW ZEALAND APPLE AND PEAR
EXPORT ESTIMATES ANNOUNCED

The New Zealand Apple and Pear Marketing Board has estimated that this season's apple exports will reach 1,500,000 boxes, while pear exports are estimated at 50,000 boxes. Of these exports, 400,000 boxes will be shipped by mid-March, and 750,000 boxes are to be shipped before the end of April; shipping space has not yet been found for the remaining 400,000 boxes.

The bulk of the exports, approximately 1,300,000 boxes, will go to the United Kingdom. Germany will receive 160,000 boxes; Sweden 30,000; the United States 25,000; Canada 25,000; and the remainder will go to Bermuda, Jamaica, Singapore, and Panama.

JAMAICAN CITRUS CROP
ESTIMATES RAISED

The current Jamaican citrus crop, originally estimated at a record 1 million boxes, is now forecast at 1.1 million boxes. Thus far this season, grapefruit production has reached 380,000 boxes, nearly 27 percent above the forecasted 300,000. Orange production is expected to exceed the forecasted 550,000 boxes also.

Present calculations are that citrus output will rise next season to 1.5 million boxes, and reach 3 million boxes by 1960 as a result of the industry's planting program which ended last year.

ADDITIONAL SHIPPING SPACE CONTRACTED
FOR SOUTH AFRICAN FRUIT

South African fruit export authorities and the Union-Castle Shipping Line have chartered additional refrigerated ships to help move this season's large citrus and deciduous fruit exports. These exports are usually handled by the Union-Castle and Clan Lines, but this season's large quantities necessitated the chartering of extra ships. Charters have been made involving British, German, and Swedish ships to transport 10,700; 3,000; and 3,500 tons, respectively, in the next 2 to 6 months. These ships are expected to cost up to double the normal rate of \$18 per ton for citrus, and \$24 for deciduous.

NORWAY WILL IMPORT
DOLLAR FRUITS

The Norwegian Minister of Commerce has established a 4 million kroner allocation for the import of canned pineapples and peaches. The first half of these imports, totaling about \$280,000 in value, are expected to come almost entirely from United States sources. This will be the first import of United States canned peaches and pineapples into Norway in 16 years.

Approximately 1 million dollars have been allocated for the importation of United States oranges. The first shipments must be in Norway by May 15. Importers are urged to arrange payments through triangular barter deals or over the Brazilian-Norwegian Clearing Agreement; however, if time does not permit conclusion of these arrangements, dollars will be allocated for the first shipments. Dollars have not been available for oranges in the postwar years.

UNION OF SOUTH AFRICA'S OUTPUT OF TOBACCO PRODUCTS UP 5 PERCENT

Output of tobacco products in the Union of South Africa during the first 7 months of 1955 totaled 24.3 million pounds - up 5 percent from the 23.1 million pounds produced during the comparable period in 1954. Output of cigarettes and pipe tobacco increased 1.2 and 9.5 percent, respectively, while the production of cigars and cigarette tobacco (for roll-your-own cigarettes) declined 23.7 and 13.6 percent, respectively, from the same seven months of 1954.

UNION OF SOUTH AFRICA: Output of tobacco products during the January-July periods, 1954-55

Product	January - July	January - July	Percent Change
	1954	1955	from January - July 1954
	1,000	1,000	
	pounds	pounds	Percent
Cigarettes.....	12,402	12,548	+ 1.2
Cigars.....	22	17	- 23.7
Cigarette tobacco.....	22	19	- 13.6
Pipe tobacco.....	10,683	11,694	+ 9.5
Total.....	23,129	24,278	+ 5.0

Source: Maandelikse Uittreksel Van Handelstatistiek, July 1955.

TOBACCO INCLUDED IN LEBANON- COMMUNIST CHINA TRADE AGREEMENT

A new Trade Agreement between Lebanon and Communist China was signed on December 31, 1955. The new agreement includes Lebanese leaf tobacco as one of the items to be exported in exchange for Chinese industrial goods. The agreement is valid for one year and shall be automatically renewed from year to year, unless either principal requests its modification 3 months prior to its expiration. Payments between the two countries shall be made in transferable pounds Sterling or in any other currency agreed upon by the importers and exporters. Such payments shall be made through approved banks in the two countries.

BARN ROT REDUCING SOUTHERN RHODESIA'S
1956 FLUE-CURED CROP

Southern Rhodesia's 1956 record harvest of 145.3 million pounds of flue-cured tobacco could be substantially reduced due to barn rot (leaf spot), according to a recent report. The Tobacco Research Board at Kutsaga also reports the prevalence of barn rot on a much larger scale this year than in the past which will necessitate considerable stripping of tobacco prior to sale. The quality of the 1956 crop will be substantially below that of previous years because of the high incidence of barn rot. This disease occurs at high elevations in Africa, particularly when the weather is cloudy and damp for an extended period just prior to harvest and during the curing season. Rot is caused by over-packing barns with tobacco, bad ventilation and excessive humidity.

AUSTRALIA'S 1956 TOBACCO HARVEST
DAMAGED BY HEAVY RAINS

Heavy rains in Queensland, Australia have reduced the 1956 tobacco harvest from 20 to 30 percent, according to a recent report. However, the 1956 production is expected to slightly exceed the 1955 harvest of 7.0 million pounds due to the overall increase in acreage.

RENEWED CUBAN-WEST GERMAN TRADE
AGREEMENT INCLUDES TOBACCO

The Trade Agreement between Cuba and Western Germany has been extended to March 1, 1957, following the conclusion of negotiations held in Bonn on February 29, 1956, between representatives of the two countries. The new agreement increases the quantity of Cuban leaf tobacco as one of the items to be exported in exchange for German goods. Western Germany's imports of Cuban leaf tobacco during 1953 and 1954 totaled about .5 and 1.1 million pounds, respectively.

U. S. TOBACCO EXPORTS,
JANUARY 1956

United States exports of unmanufactured tobacco in January 1956 totaled 46.2 million pounds, valued at \$29.0 million. This represents a 49.5 percent increase by volume, and a 37.3 percent increase by value, compared with the January 1955 exports of 30.9 million pounds, valuation \$21.1 million. In January of this year, exports of flue-cured, Kentucky-Tennessee fire-cured, Virginia fire-cured and Maryland, were substantially larger than in January 1955. Cigar wrapper exports also were up from January a year ago. All other types except those mentioned showed decreases.

(Exports continued on following page)

(Continued from preceding page)

Exports of United States Unmanufactured Tobacco, January 1956
with Comparisons (Export weight)

Type	January		Percent Change	January		Percent Change
	1955	1956		1955	1956	
	:1,000 :pounds	:1,000 :pounds	: Percent	:1,000 :dollars	:1,000 :dollars	: Percent
Flue-cured.....	24,959	38,863	55.7	17,232	24,673	43.2
Burley.....	2,774	1,509	- 45.6	1,818	694	- 61.8
Dark-fired Ky.-Tenn....	1,116	1,930	72.9	580	1,005	73.3
Va. fire-cured 1/.....	145	824	468.3	98	424	332.7
Black Fat,.....	441	170	- 61.5	311	122	- 60.8
Maryland.....	514	2,288	345.1	427	1,538	260.2
Green River.....	408	67	- 83.6	209	14	- 93.3
Cigar Wrapper.....	233	331	42.1	273	421	54.2
Other 2/.....	340	246	- 27.6	145	71	- 51.0
Total.....	30,930	46,228	49.5	21,093	28,962	37.3

1/ Includes sun-cured. 2/ Includes one-sucker, cigar binder and filler, Perique, and stems, trimmings and scraps. These are classified in a blanket category beginning January 1956.

Exports of tobacco products, valued at \$4.9 million, were about 9 percent greater in January 1956 than for the same month a year earlier. Exports of smoking tobacco in bulk showed a particularly large increase--from 278,000 pounds in January 1955 to 754,000 in January of this year.

Exports of United States Tobacco Products, January 1956 with Comparisons

Class of Products	January 1955	January 1956	Percent Change
Cigarettes			
(million pieces)...	1,109	1,146	3.3
Smoking Tobacco in			
Bulk (1,000 lbs.)...	278	754	171.2
Declared Value 1/			
(million dollars)...	4.5	4.9	8.9

1/ Includes value of other tobacco manufactures not separately show in Bureau of the Census figures beginning January 1956.

AUSTRALIAN WOOL SALES

A total of 133,622 bales of wool were sold at auctions held in Sydney, Adelaide and Albury, Australia the week ending March 9, 1956. Fine combing wools and fine to coarse quality carding wools were fully firm at the levels of a week earlier. Medium to coarse quality combing wools were irregular and sold on the average from 1 to 2 cents below a week earlier.

AUSTRALIAN WOOL PRICES

Wool Prices: Average raw wool costs, clean basis, on Australian auction floors, by quality classification

(Current prices with comparisons)

Type and Grade	Week Ended			Year Ago
	3-2-56	3-9-56	3-11-55	
U.S. Dollars per Pound				
Combing Wools				
70's Good.....	1.30	1.30	1.55	
Average.....	1.22	1.22	1.46	
64's Good.....	1.13	1.13	1.34	
Average.....	1.10	1.10	1.31	
60's Good.....	1.01	1.01	1.24	
Average.....	.99	.99	1.18	
58's Good.....	.92	.91	1.16	
Average.....	.90	.88		
56's Good.....	.86	.84	1.06	
Average.....	.85	.83		
50's Good.....	.79	.78	.94	
Average.....	.78	.77		
Carding Wools				
Merino.....	.80	.81	.96	
Comeback.....	.74	.75	.85	
Fine Crossbred.....	.71	.71	.84	
Medium Crossbred.....	.68	.68	.83	

Source: Wool Statistical Service of the Australian Wool Bureau.

SOUTH AFRICAN GOVERNMENT TO
ASSIST RAISIN PRODUCERS

The Minister for Agriculture of the Union of South Africa has informed the Dried Fruit Board that the Government is prepared to assist raisin producers - hard hit by the collapse of the overseas market for raisins - by guaranteeing an average initial payment of 4.1 cents per pound for raisins. The Minister stated that about half the raisin crop has to be exported at extremely low prices and that, but for the price guarantee now given by the Government, the initial payment would have been only about 2.3 cents per pound.

The Minister also expressed hope that raisin production could be reduced and the surplus problem eased by diversion of a portion of the raisin grapes into wine, despite transport difficulties.

The Government's initial payment guarantee will enable the Dried Fruit Board to reduce its selling price of raisins to packers by 2.9 cents per pound and consequently, with retail prices again being fixed, consumers will pay about $17\frac{1}{2}$ cents per pound for good quality raisins. This appears to be at least a partial shift from the former practice of "loading" the domestic price so as to offset low export prices as a means of producer price support to a new practice of direct Government subsidy to raisin producers - through their marketing Board.

WORLD HOG NUMBERS 1955 AND ESTIMATES FOR 1956

World hog numbers increased slightly during 1955 to a new all-time high of 373 million or about 1 percent greater than a year earlier. The total is 27 percent greater than prewar and 52 percent above the low level of 1946-50, according to an annual review of numbers in important countries of the world.

World hog slaughter during 1956 will probably be about the same as a year earlier on the basis of the number of hogs. Slaughter in the second half of the year will depend partly upon the number of pigs saved in the spring of 1956 (Northern Hemisphere). Some reduction in the 1956 spring pig crop is indicated for the United States and Canada. However, production in Western Europe as a whole appears likely to continue large.

During 1955 hog numbers increased around 8 percent in North America and 1 percent in Europe, with all of the increase in Eastern Europe. Apparently there was little change in Africa, Asia and Oceania. Numbers decreased moderately in South America. They were maintained or may have increased again in the U.S.S.R. and Communist China.

Numbers in the United States increased 4.5 million head during 1955 and the total of 55 million head on farms January 1, 1956, was the largest for that date since 1952. On December 1, 1955 there were an estimated 6 million on Canadian farms, an increase of over 500,000 from a year earlier, and the largest for that date since 1944. Numbers have been increasing steadily in Mexico for several years. Hog production in Cuba is at low levels compared with former years.

Hog numbers in Western Europe remained relatively unchanged during 1955 but numbers continued to increase in Eastern Europe. There were increases in Austria, Belgium, France, Greece, Ireland, and The Netherlands. There was a decrease during 1955 in Denmark, and the United Kingdom.

In most years since the close of World War II hog numbers in Western Europe have increased steadily to reach a peak, during 1955 and 1956. It may be that this current high level is about the maximum that can be maintained with available feed supplies and still maintain production of other livestock and food crops at current levels. Further large increases in hog production in the area as a whole may be possible only under exceptional conditions when hog production is unusually profitable.

At present pork prices in the United States are below those in many countries of Western Europe and the United States could export to that area if it were not for trade barriers which restrict this trade. In some respects the current situation is comparable to prewar when the United States was a large surplus producer of pork. But the situation differs in that the European market is largely closed to the United States due to trade and sanitary restrictions.

Hog numbers are at high levels in Asia. It is believed that hog production in Communist China has increased materially in the past several years. Numbers are also at high levels in India, the Philippine Republic, South Korea and Indonesia. Numbers in Japan have been increasing also and at the present time are moderately above prewar. Numbers in Formosa declined materially in 1955.

Most of the decrease in hog numbers in South America during 1955 was in Brazil, which attained a large inventory at the beginning of 1955. Numbers in Venezuela probably have continued to increase steadily in recent years.

(Table on following pages)

HOOS: Number in Specified Countries, Averages 1936-40, 1946-50, Annual 1951-56

Continent and Country	Month of estimate	Average		1951	1952	1953	1954	1955	1956
		1936-40	1946-50						
		Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
NORTH AMERICA									
Canada	Dec. 1	4,078	5,542	5,419	5,498	5,237	4,721	5,425	5,981
El Salvador	July	559	325	1/	-	-	-	-	-
Guatemala	July	213	394	-	-	-	-	-	-
Honduras	July	235	364	-	525	530	-	-	-
Mexico	June	4,965	5,960	-	5,500	-	7,500	7,750	7,900
Nicaragua	June	250	250	-	350	360	-	-	-
United States	Jan. 1	48,352	57,563	62,269	62,117	51,755	45,114	50,474	55,088
Cuba	Dec. 31	904	1,730	1,800	-	-	1,340	1,365	1,395
Dominican Republic	June	842	1,140	1,087	1,100	-	-	-	-
Estimated Total		61,400	74,500	79,900	78,800	69,500	62,700	69,100	74,400
EUROPE									
Austria	Dec. 3	2,849	1,558	2,780	2,700	2,850	2,643	2,803	2,933
Belgium	Jan. 1	1,005	886	1,234	1,427	1,382	1,255	1,334	1,452
Denmark	Jan.	2,997	2,033	3,616	3,229	3,906	4,456	4,806	4,331
Finland	Jan. 15	485	350	444	414	434	545	467	-
France	Oct. 1	7,034	5,714	6,824	7,222	7,177	7,328	7,570	7,772
Germany, Western	Dec. 1	12,660	6,866	11,890	13,603	12,979	12,435	14,525	14,593
Greece	Dec. 31	532	482	568	635	603	603	620	640
Ireland	June	978	543	558	719	882	958	799	835
Italy	Jan. 1	3,700	3,800	4,055	3,512	4,215	4,368	3,745	-
Luxembourg	Dec. 1	448	100	100	110	96	120	117	-
Netherlands	Dec. 1	1,725	1,187	2,273	2,110	2,259	2,055	2,331	-
Norway	June 20	393	321	386	418	380	406	464	-
Portugal	Dec. 31	1,206	1,200	-	-	-	-	-	-
Spain	Dec. 31	4,944	5,122	1,324	1,363	1,351	1,718	1,674	-
Sweden	April	1,292	1,213	1,097	1,097	1,017	950	1,038	-
Switzerland	April	915	783	892	4,962	5,165	6,251	5,854	-
United Kingdom	June	4,380	2,309	3,891	4,962	5,165	6,251	5,854	-
Yugoslavia	Jan. 1	3,238	4,200	3,911	3,990	4,520	4,310	-	-
Estimated Total		76,500	59,300	76,900	82,500	86,300	89,300	95,000	95,800
Western Europe		50,500	38,700	51,300	54,000	55,600	56,900	59,700	59,600
Other Europe		26,000	20,600	25,600	28,500	30,700	32,400	35,300	36,200
U.S.S.R. (Europe and Asia)	Jan. 1	32,300	13,000	27,100	26,700	47,600	51,000	-	-

ASIA													
British Malaya	Dec. 31	1/	706	397	476	10/	74,300	10/	504	525	550	560	-
Burma	May	2/	538	323	-	10/	64,300	10/	500	520	540	560	-
China	Jan. 1	2/	65,300	42,000	3,709	10/	74,300	10/	4,362	4,200	4,150	4,700	-
India	Dec. 31	1/	2,777	1,165	1,099	3/	1,264	3/	1,328	1,400	1,450	1,450	-
Indonesia	Dec. 31	1/	1,199	301	452	3/	799	3/	994	833	912	1,016	-
Japan	Feb. 1	1/	960	301	452	3/	799	3/	994	833	912	1,016	-
Korea - South	Dec. 31	1/	838	440	156	3/	440	3/	488	775	938	938	-
Philippine Islands	Jan. 1	2/	4,398	3,300	4,159	3/	4,143	3/	4,794	5,225	5,695	6,208	-
Taiwan (Formosa)	Dec. 31	1/	1,803	976	1,620	3/	2,262	3/	2,611	2,820	2,870	2,370	-
Estimated Total			86,300	58,300	84,200		95,700		100,100	101,500	102,700	102,800	-
SOUTH AMERICA													
Argentina	July	2/	3,674	3,000	2,800	3/	3,982	3/	2,500	2,000	1,500	33,000	-
Brazil	Dec. 31	1/	23,224	24,400	26,059	3/	27,801	3/	30,916	32,721	35,556	-	-
Chile	June	3/	420	590	650	3/	700	3/	729	-	-	-	-
Colombia	Dec. 31	1/	1,572	2,092	2,782	3/	2,378	3/	2,500	-	-	-	-
Ecuador	Dec. 31	1/	350	1,070	-	3/	-	3/	-	-	-	-	-
Peru	Dec. 31	1/	800	911	1,203	3/	1,268	3/	1,268	1,346	-	-	-
Uruguay	May	3/	373	258	259	3/	259	3/	275	260	235	235	-
Estimated Total			31,300	33,900	36,700		39,400		41,200	42,900	45,600	43,200	-
AFRICA													
Algeria	April	58	140	140	103	3/	77	3/	88	83	-	-	-
Belgian Congo	Dec. 31	1/	162	200	176	3/	241	3/	261	324	-	-	-
Federation of Nyasaland and Rhodesias	Dec. 31	1/	209	244	197	3/	202	3/	228	272	237	-	-
French Morocco	Dec. 31	1/	64	68	84	3/	56	3/	64	-	-	-	-
Madagascar	Dec. 31	1/	578	406	399	3/	296	3/	248	207	-	-	-
Mozambique	Dec. 31	1/	70	64	75	3/	78	3/	77	-	-	-	-
Angola	Dec. 31	1/	410	-	-	3/	-	3/	-	-	-	-	-
Tunisia	Dec. 31	1/	24	32	29	3/	20	3/	16	14	-	-	-
Union of South Africa	Aug.	3/	1,007	1,290	1,315	3/	1,275	3/	1,275	-	-	-	-
Estimated Total			3,400	3,900	3,900		3,800		3,800	4,000	3,900	3,900	-
OCEANIA													
Australia	Mar. 31	1/	1,242	1,255	1,134	3/	1,022	3/	993	1,197	1,297	-	-
New Zealand	Jan. 31	1/	753	548	564	3/	566	3/	628	649	681	695	-
Estimated Total			2,100	2,000	1,900		1,800		1,800	2,100	2,200	2,200	-
Estimated World Total			293,300	244,900	310,600		328,700		350,300	353,500	369,500	373,300	-

1/End of year estimates (October to December) included under following year for comparison and totals. Thus far Canada the December 1950 estimate of 5,419,000 is shown under 1951. 2/Preliminary. 3/Average for 2 to 4 years only. 4/Census or estimate for single year. 5/Official statistics; may be underestimates of actual numbers. 6/September. 7/June. 8/October. 9/Includes 22 provinces Manchuria and Sinkiang. Excludes outer Mongolia. 10/National estimate of China mainland. Excludes outer Mongolia. 11/Year 1934. 12/Number taxed only.

Compiled from official sources, reports of Agricultural Attaches and other United States representatives abroad and other information. Data for countries having changed boundaries relate to present territory. Totals include estimates for countries for which official statistics are unavailable. Foreign Agricultural Service. March 1956.

Africa produces few hogs because of its small grain production. Numbers in the Union of South Africa remain at relatively low levels and apparently have not changed much in the past several years. In the Belgian Congo hog production has increased markedly during that period. Numbers are at low levels in Madagascar and Tunisia.

Hog numbers in Australia in March 1955 were the largest for that date since 1946. The number in New Zealand in January 1956 was estimated to be the largest since 1942 but still below prewar.

This is one of a series of regularly scheduled articles on world agricultural production approved by the Foreign Agricultural Service Committee on Foreign Crop and Livestock Statistics. It is based in part upon reports of Agricultural Attaches and other U. S. representatives abroad.

URUGUAYAN MEAT EXPORTS LIKELY TO CONTINUE LOW

In early January the 3 foreign packers in Uruguay completed their special export slaughter quotas totaling about 17 million pounds of meat. (See Foreign Crops and Markets, February 13, 1956). Additional special slaughter quotas for export are not expected for several months because of an anticipated shortage of cattle for slaughter.

During February, activity in Montevideo packinghouses declined sharply. Slaughter was on an average of one day a week. In January the 4 largest packers slaughtered 25,000 head, the Government-sponsored Frigorifico National accounted for 12,000 of these cattle. Frigorifico National normally slaughters around 20,000 a week.

Reduced slaughter was reportedly due to the failure of Government agencies to pay for meat already delivered to them and the inability of the national slaughter plant to pay cattlemen for cattle for current slaughter. Under this situation many cattlemen refused to market livestock and the consumer meat shortage in Montevideo became serious.

U. K. TO IMPOSE 10 PERCENT DUTY ON BACON IMPORTS

The United Kingdom has announced a 10 percent ad valorem duty on bacon imported from foreign sources beginning October 1, 1956. Imports from the Commonwealth countries and the Irish Republic will continue to retain their duty free status (see Foreign Crops and Markets, February 6, 1956). The trade in imported supplies, now handled by the Ministry of Agriculture, Fisheries and Food, will be restored to private trade on October 1. In British terminology bacon refers to the whole side of a hog which is cured and smoked.

The decision to impose a duty on bacon (now duty free) resulted from the negotiation of a new supply contract with Denmark, which is the United Kingdoms principal supplier. The United Kingdom, in imposing the duty, gave the Danish Government assurance that: "Having regard to the great importance for the Danish economy of the bacon trade with the United Kingdom, we have undertaken to consult with the Danish Government, on request if at any time events should occur which are likely to affect the United Kingdom market so as to cause substantial injury to Danish producers."

In the event that the United Kingdom should apply quantitative restrictions on imports of Danish bacon it has been agreed to suspend the tariff. If quotas are imposed on individual countries in the future Denmark's interests will be protected under previous agreements but subject to its obligations under the General Agreement of Tariffs and Trade. There will be regular joint reviews between the two countries on market prospects for bacon in the United Kingdom. The new Anglo-Danish agreement will remain in force for 4 years.

The United Kingdom has not been open to commercial exports of pork from the United States since before World War II. However, substantial shipments of meat were made under the Lend-Lease program and under special aid programs at the close of World War II. Although the new British tariff has little effect on United States trade at this time it may have more serious consequences in the future.

AUSTRALIAN TALLOW EXPORTS DROP SHARPLY IN 1954-55

Australia's tallow exports dropped sharply during July-June 1954-55 to 47.7 million pounds, or less than half the 107.9 million pounds exported in 1953-54. Supplies available for export were down last year due partly to increased domestic consumption and the need to increase local stocks. Increased competition in some markets also was an important factor.

Australian foreign trade in tallow fluctuates fairly widely from year to year and depends on seasonal conditions and slaughter. The principal market for tallow is the United Kingdom but Australia also exports large quantities to Singapore, India, Burma and Japan. The Netherlands, which was one of Australia's major customers in earlier years, practically dropped out of the market in 1954-55.

The bulk of the overseas exports are shipped from Western Australia and Queensland. Wholesale prices for good tallow at Sydney and Perth, week ending February 16, 1956, per long ton, ranged from £ 73 to £ 79.5 (7.3 to 8.0 cents) per pound. Market reports for the period indicated that demand was strong. Australia's foreign trade in lard is relatively insignificant.

ARGENTINA INCREASES EXCHANGE RATE ON IMPORTED BREEDING CATTLE

Importations of breeding cattle by Argentina are being discouraged by new exchange rates. The new rate on breeding cattle is 18 pesos to the U. S. dollar, or 50.28 pesos to the pound sterling. The old rates were 7.5 pesos to the dollar and 20 pesos to the pound.

Breeders are also asking for removal of the import tax which was put into effect last November. The only relief granted has been a time payment concession consisting of 10 biannual payments at 4 percent interest on the unpaid balance.

U. S. RECOGNIZES COSTA RICAN MEAT INSPECTION SYSTEM

The United States has granted recognition to the meat inspection system of Costa Rica. There are two commercial companies in that country interested in the export trade. One of the firms has a slaughter capacity of fifteen head per day and plans to offer canned beef for sale in the continental United States. The other firm plans to sell dried or salted beef in Puerto Rico.

NICARAGUA BUYS U. S. CATTLE

Nicaragua has recently imported purebred cattle from the United States for the purpose of improving its livestock. Included were 70 Brown Swiss, 69 Brahman, 40 Gernseys and 20 Holsteins. Some of the cattle will be sold on long-term credit to farmers. Other cattle will be used for experimental purposes. Altogether, nearly 700 head, mostly from the United States, were imported in the past 18 months.

CANADA INTENDS TO INCREASE FLAXSEED PLANTINGS 90 PERCENT

Canadian farmers intend to plant 3,812,000 acres to flaxseed and 205,000 acres to soybeans in 1956, according to official reports of The Dominion Bureau of Statistics. For flaxseed this would be an all time high and an increase of 92 percent from the 1,988,400 acres of 1955. With an average yield per acre output could reach 34 million bushels. Production in 1955 was 21,498,000 bushels.

Soybean intentions represent a 4 percent decline from the 214,000 acres in 1955. The average yield of the past 10 years of 21.7 bushels per acre would give a crop of 4.4 million bushels. Last year's production of 5,650,000 bushels represented an average yield of 26.4 bushels.

Rapeseed acreage is expected to increase sharply this year. Actual intentions have not yet been reported.

WORLD PEANUT PRODUCTION AT RECORD HIGH

World production of peanuts in 1955 is placed at a record 12.4 million short tons, according to the second estimate of the Foreign Agricultural Service. This is an increase of about 3 percent from estimated production in 1954 and is almost one-third above the prewar average.

The most significant increase occurred in the United States where production was up 57 percent from the small 1954 crop. Harvests in Africa, particularly French West and British West, also were considerably larger than in 1954. Moreover, some expansion occurred in most of the other important producing countries of the world with the exception of India, Argentina and the Belgian Congo. And, with the exception of an increase of possibly around 3 percent in China-Manchuria, the expansion is accounted for by the free areas of the world.

North American peanut production increased about 46 percent as a result of the larger crop in the United States where production at 805,225 tons was up sharply from 1954. Acreage picked and threshed in the United States in 1955, estimated at 1,685,000 acres, was 21 percent above 1954, and the average yield per acre, at 956 pounds, was the second highest of record. Production in Mexico was estimated at 88,000 tons, the same as in 1954. Peanut acreage increased one-fifth but excessive rains and floods reduced yields. Acreage and production in the Dominican Republic have expanded rather sharply in recent years.

A decrease of about 3 percent appears to have occurred in Asia in 1955. In India, where over one-third of the world output is produced, the crop is estimated officially at 4,260,480 tons from 12.6 million acres. While this is 8 percent less than the large crop of 1954, now revised to 4,623,360 tons, it is almost 30 percent more than average prewar production.

Intensified efforts to solve the shortage of vegetable oils in China are believed to have resulted in larger peanut crops in the past few years. The 1955 harvest in China Proper may have been about 2.4 million tons and in Manchuria around 220,000 tons. This volume of production in China-Manchuria however, would be roughly one-sixth less than average prewar production of over 3 million tons. Increased peanut production in Burma is being encouraged and output was up almost 40 percent in 1955. Japan's harvest showed an increase of over 10 percent.

Peanut production in South America in 1955 was virtually the same as the previous year with the decline in Argentina's output offset by the increase in Brazil. The relatively small peanut crops of the past 2 years in Argentina have contributed to a deficit supply of edible oils in that country. The deficit has been mainly due to a reduced output of sunflower seed, the chief source of Argentine edible-oil production. However, with the sharp increases (80 percent for peanuts and 86 percent for sunflower seed) in producer prices for the 1956 crops, which are soon to be harvested, acreage to both peanuts and sunflower seed has expanded markedly. Private sources indicate that peanut production this year may exceed 200,000 tons, compared with 130,000 tons in 1955.

African peanut production, which accounts for about one-fourth of the world total, is believed to have increased about 10 percent in 1955. The crops in French West and British West Africa probably approximated the near-record highs of 990,000 and 950,000 tons, respectively, reached in 1953. Marketings in Senegal, by far the major producing area of French West Africa, during the first nine weeks of the season beginning December 20, 1955, exceeded the corresponding period last year by 50 percent. In Nigeria, purchases by the Nigerian Marketing Board for export from the 1955 crop have been reported at 476,000 short tons (shelled basis) compared with 419,000 tons from the 1954 crop.

Output in the Union of South Africa reached the high level of 216,000 tons produced in 1954 but in the Belgian Congo indications are that the crop was down possibly 10 to 15 percent.

With respect to peanut production in 1956, the only indication thus far of a decline in output is in the United States. As of March 1, farmers reported intentions to plant 1,923,000 acres of peanuts alone for all purposes in 1956. This is 4 percent below the 2,004,000 acres grown alone in 1955 and reflects a reduction in Government acreage allotments. Recent average relationships, by states, between acres grown alone and acres picked and threshed and recent average yields would indicate a crop of 650,000 tons or 150,000 tons less than last year. Similarly, the only reported indication as yet of an expansion in production is in Argentina, where the approaching harvest is expected to be up significantly. However, in the major producing areas of the world, namely, India, China and Africa, the major factor determining the size of the crop will continue to be the weather.

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SUEZ CANAL SOYBEAN TRAFFIC UP IN JANUARY; 1955 SOYBEAN, PEANUT TOTALS HIGHEST SINCE PREWAR

Northbound soybean traffic through the Suez Canal totaled about 2,060,000 bushels in January, an increase of approximately 6 percent over the 1,950,000 bushels shipped in the same months in 1955. Peanut shipments increased even more, from 44,000 short tons in January 1955 to about 71,000 tons in January 1956. This included 55,000 tons shipped from China, which is twice as much as Chinese loadings in January 1955.

Vegetable oil shipments through the Canal in January, at 60,000 tons, were 37 percent greater than those of a year ago. They included 22,000 tons of palm oil and 14,300 tons of peanut oil.

December soybean shipments of 32,000 short tons (1,065,000 bushels) brought total 1955 traffic to 565,000 short tons (18,850,000 bushels), an increase of 60 percent over 1954, and a new high for postwar shipments. The annual average for 1933-37 was 1,237,000 tons (45,450,000 bushels).

SUEZ CANAL: Northbound movements of vegetable oilseeds,
1955 with comparisons

(1,000 short tons, gross weight 1/)

Oilseed	: Average : 1933-37	: 1951	: 1952	: 1953	: 1954 <u>2/</u>	: 1955 <u>2/</u>
Soybeans.....	1,237	551	219	353	352	565
Copra.....	786	1,066	795	660	844	731
Peanuts.....	999	218	207	229	250	328
Cottonseed.....	146	195	144	197	153	121
Flaxseed.....	227	42	34	55	31	41
Other.....	267	224	289	417	316	201
Total oilseeds:	3,662	2,296	1,688	1,911	1,946	1,987
<u>1/</u> Source data in metric tons. <u>2/</u> Preliminary.						

Source: Compiled from Le Canal de Suez Bulletin, Paris, France.

Northbound peanut shipments of 15,400 short tons in December brought the 1955 total to 361,500 tons, an increase of 31 percent over 1954, and the highest since the 1933-37 period when annual shipments averaged almost a million tons.

Total oilseeds shipments increased approximately 2 percent, from 1,946,000 tons in 1954 to 1,987,000 tons in 1955. Shipments of vegetable oils increased from 371,000 tons in 1954 to 644,000 tons in 1955, or by about 74 percent. Prewar shipments averaged about 312,000 tons per year.

ARGENTINE SUNFLOWER ACREAGE
LARGEST SINCE 1951

The official estimate of area sown to sunflowers for 1956 harvest in Argentina has been revised to 3,213,000 acres, more than twice the 1955 planted area and the largest since 1951. The record for the past 25 years was in 1948-49, when 4,463,000 acres were sown to sunflowers.

At the average long-term yield of about 520 pounds per seeded acre, Argentina may harvest a sunflower seed crop of near 850,000 short tons this year, compared with last year's 312,000 tons and with the 1949 record of 1.2 million. Favorable moisture conditions to date may presage an even larger outturn.

TUNISIA'S 1955-56 OLIVE OIL PRODUCTION REVISED UPWARD

According to the Office de L'Huile, 21,000 tons of olive oil had already been pressed in Tunisia by the end of January; hence, total production this year is quite likely to reach at least 27,000 tons. Olive oil production for 1955-56 was tentatively estimated at 31,000 short tons recently by the Tunisian Ministry of Agriculture. This is 3,500 tons higher than the maximum trade estimate of last December. However, though the outlook seems to be a little more favorable than it was a few months ago, the current crush will still be the smallest since 1947 and only about one-half of the previous year's.

Prices continued to rise through early February, but have declined slightly since then. At the beginning of March, "lampante" quality was spot-quoted at Sfax at 310 francs per kilogram (40.2 cents per pound); "surfine" was selling for 340-345 francs (44 to 44.6 cents) and "extra" for 365 francs (47.2 cents). A decline in February in the Italian demand and a series of Government measures were reportedly responsible for halting the price rise. During January, 3 temporary orders were issued permitting the importation of unrefined seed oils and of "lampante" quality olive oil. According to trade sources, about 2,500 tons of oil, principally peanut oil, had been brought in by mid-March under this temporary liberalization. On February 18, a temporary embargo was placed on exports of all oils except the better qualities of olive oil. The ban will remain in effect, for "lampante" olive oil, through August 31.

A retail ceiling price of 245 francs per liter (35.1 cents per pound) was officially placed on locally refined peanut oil on February 28. The ceiling price on other refined vegetable oils is 225 francs per liter (32.3 cents per pound). (See "Late News" item on Page 409).

BELGIAN COTTON CONSUMPTION
HOLDS AT LAST YEAR'S LEVEL

Belgian cotton consumption of 115,000 bales (500 pounds gross) during November-January of the 1955-56 marketing year represented a slight increase over the 110,000 bale consumption in August-October, but held at practically the same level as consumption of 116,000 bales in November-January 1954-55. Consumption of United States cotton, however, dropped off sharply in the current period, amounting to only 7,000 bales or 6 percent of the total to compare with consumption of 16,000 bales or 14 percent of the total a year ago.

Cotton imports by Belgium during the first 5 months (August-December) of the 1955-56 season amounted to 156,000 bales dropping 20 percent from imports of 196,000 bales in the corresponding period of 1954-55. Volume of imports from the United States also dropped considerably, amounting to only 13,000 bales in the current period as compared with 32,000 a year earlier. A shift to imports of Indian cotton was noted for the current period, although Mexico continued to be the major source for both years.

Quantities of cotton imported into Belgium from principal sources in August-December 1955 with comparable 1954 figures in parentheses were: Mexico 39,000 bales (44,000); Belgian Congo 27,000 (36,000); India 23,000 (2,000); United States 13,000 (32,000); Nicaragua 9,000 (1,000); Peru 8,000 (11,000); Egypt 6,000 (6,000); Paraguay 5,000 (10,000); the U.S.S.R. 5,000 (3,000); and Pakistan 4,000 (3,000).

Stocks of cotton held by Belgian mills on January 31, 1956, amounted to 113,000 bales, the lowest point reported for that date since 1953. Stocks on August 1, 1955, amounted to 140,000 bales, and those on January 31, 1955, were 157,000 bales.

Production of cotton yarn in Belgium averaged 8,866 metric tons per month during the November-January 1955-56 period, increasing 3.7 percent over the preceding 3-month period, but 2 percent below the comparable period a year ago. Total production consisted of 24,885 metric tons of fine yarn, and 1,712 metric tons of carded yarn. Stocks of yarn held by weaving mills on December 31, 1955, were reported at 8,443 metric tons, about the same as those held a year earlier, but about 14 percent higher than stocks held on December 31, 1952 and 1953.

Production of cotton fabrics during the quarter ending December 1955 amounted to 20,205 metric tons or 4 percent below the corresponding quarter a year ago. Production of cotton fabrics during the calendar year 1955 averaged 6,175 metric tons per month as compared with 6,424 metric tons in 1954, 5,553 in 1953, 5,162 in 1952, and 6,951 in 1951.

FRANCE REDUCES IMPORTS OF U. S. COTTON

France's imports of United States cotton declined sharply in the first 6 months (August-January) of the 1955-56 marketing year, amounting to only 68,000 bales (500 pounds gross) as compared with 245,000 bales in the corresponding period of 1954-55. Total cotton imports in the current period amounted to 556,000 bales, a decline of 19 percent from imports of 690,000 bales in August-January 1954-55. The United States share of this market dropped from 36 percent of the total in August-January 1954-55 to 12 percent in the current period.

The most marked shift in the source of cotton imports was to Syria and Turkey, with moderate increases in imports from Greece, Pakistan, and Iran. Imports from Brazil dropped off sharply during the period. Quantities imported from the principal sources in August-January 1955-56 with comparable figures for 1954-55 in parentheses were: French Colonies 113,000 bales (127,000); Syria 109,000 (73,000); the United States 68,000 (245,000); Egypt 65,000 (62,000); Pakistan 32,000 (16,000); Greece 28,000 (10,000); Turkey 25,000 (2,000); Iran 23,000 (16,000); Sudan 20,000 (16,000); Peru 19,000 (16,000); U. S. S. R. 18,000 (26,000); Mexico 15,000 (11,000); India 9,000 (5,000); and Brazil 7,000 (48,000).

Some short staple United States cotton, purchased since January 1 1956, will be imported in the next few months, although France does not normally use much short staple cotton. Imports of longer staples from the United States are expected to remain at minimum levels until August 1, when all staple lengths will be available on competitive bid basis. The volume thereafter is expected to increase sharply but will depend primarily on price relationships with other growths. Spinners have now acquired experience in the substitution of other growths for United States cotton. They know the fine points of quality distinction and under what conditions and at what prices substitution of foreign growths is feasible. Strictly competitive prices should result in the recapture of much of the market lost in 1955.

Total consumption of cotton in France in August-January 1955-56 amounted to 591,000 bales, a decline of 12 percent from the 674,000 bales consumed in the comparable period a year ago. Consumption of United States cotton, however, dropped by 50 percent from the 251,000 bales consumed in August-January 1954-55 to 125,000 bales in the current period. The share of United States cotton in total cotton consumption has shown a progressive decline throughout 1955, dropping from 37 percent of the total in January 1955 to 16 percent in January 1956. A slight upward trend in total consumption has been noted in recent months as evidenced in the following table.

France: Consumption of United States cotton as percent of total cotton consumption, August-January 1954-55 and 1955-56 1/

Month	1954-55			1955-56		
	Total	U. S.	Percent U. S.	Total	U. S.	Percent U. S.
	1,000 bales	1,000 bales		1,000 bales	1,000 bales	
August.....	85	34	40	74	20	27
September...	121	46	38	103	26	25
October.....	117	42	36	98	22	22
November....	114	42	37	102	21	21
December....	125	46	37	109	19	17
January.....	112	41	37	105	17	16
Total...	674	251	37	591	125	21

1/ Consumption in bales of 500 pounds gross.

Stocks at the end of January 1956 amounted to 288,000 bales or 16 percent less than stocks of 342,000 bales held on August 1, 1955. Stocks of United States cotton on January 31, 1956 amounted to 38,000 bales or 13 percent of the total as compared with 98,000 bales or 29 percent of total held on August 1, 1955. January 31 stocks were equivalent to about 2.7 months supply at the January rate of consumption.

Prices of U. S. Strict Middling 1-inch cotton in France in January 1956 were at about the same level as in January 1955. During the first quarter of 1956, however, they rose by about 4 percent. Prices of most other growths declined sharply during 1955 to a low point in December. Since late 1955, prices of these foreign growths have risen sharply, but nevertheless by March 12 most of them were still 1 to 16 percent below January 1955 prices. Egyptian Ashmouni and Uganda B.P. 52 were 1 to 2 percent below January 1955; Mexican and Syrian cotton were 4 to 5 percent below, Peruvian and French Colonial were 8 to 10 percent below; and Brazilian and Pakistani were 14 to 16 percent below their January 1955 levels. The only exception in this price trend has been in Turkish cotton which has shown a rising trend throughout 1955 until February 1956. Turkish prices have only recently begun to decline, but are still 38 to 43 percent above those in January 1955.

France: Cotton prices, ex-warehouse, French port, in equivalent U. S. cents per pound, selected dates, 1955 and 1956

Source, variety	: U.S. equivalent : : grade & staple 1/ :	1955			1956	
		Jan. 3	Aug. 1	Dec. 6	Jan. 3	Mar. 12
U.S. Strict Mid. 1"...	-	42.12	41.08	42.12	42.38	44.19
Mexico, SM 1".....	SM 1"	42.12	40.56	38.23	36.68	40.44
Brazil, Type 3/4.....	SM 1"	45.88	42.51	42.90	2/	39.14
Peru, Tanguis.....	SM 1-1/8"	49.12	46.14	41.34	41.99	45.10
Syria, Texas.....	SM 1-1/16"	42.38	38.23	34.47	37.07	40.56
Egypt, Karnak.....	2/	72.71	62.86	62.60	63.12	72.71
Egypt, Ashmouni.....	SM 1-1/32"	51.97	44.58	38.10	40.31	51.06
French Colonies 3/....	SM 31/32 to 1"	41.99	38.88	34.86	35.38	37.97
Uganda, B.P. 52.....	GM 1-1/8"	47.04	45.10	41.60	43.55	46.66
Pakistan, saw gin.....	SM 1" full	44.45	43.29	36.55	35.77	37.71
Pakistan, roller gin..	SM 1" full	42.38	40.82	34.73	33.96	35.64
Turkey, Akala Izmir 1:	SM 1-1/16"	45.10	56.51	54.82	64.28	62.08
Turkey, Adana Prima...	SM 31/32"	42.77	54.95	52.88	61.69	60.78
	:	:	:	:	:	:

1/ Quality comparisons in terms of U. S. Standards are the opinions of French trade sources. Such comparisons are usually done independently by cotton firms in various countries, and no individual list is internationally recognized.

2/ Not available.

3/ Average between Allen 1st and Triumph 1st.

Source: Commission for Cotton Purchase Control, Paris.

DENMARK REDUCES COTTON IMPORTS

Denmark's cotton imports during the first 6 months (August-January) of the 1955-56 marketing year amounted to 18,000 bales (500 pounds gross) declining 10 percent from the imports of 20,000 bales in the comparable period a year ago. Imports from the United States dropped much more drastically, however, from 11,000 bales in August-January 1954-55 to only 2,000 in the current period.

Imports from Mexico increased from none in August-January 1954-55 to 7,000 bales in the period under review; Peru from 4,000 to 5,000 bales; Brazil from none to 2,000; and India from none to 1,000 bales. Imports from Egypt dropped from 2,000 bales in August-January 1954-55 to only 300 in the current period, and those from the U.S.S.R. from 2,000 to none.

Spinners have expressed satisfaction with the new United States cotton export program, and increased imports are expected as a result. Danish requirements are reported to be covered until around August 1956 through purchases for future delivery.

Danish cotton consumption in August-January 1955-56 amounted to 20,000 bales or 9 percent less than consumption of 22,000 bales a year earlier. The decline in cotton consumption was attributed primarily to increased imports of ready-made clothing, and the imposition of an excise tax on textile products during the spring of 1955, varying from 10 to 15 percent for the different types of clothing.

Stocks of cotton in Denmark on January 31, 1956 were reduced to 7,000 bales, down 22 percent in the 6-month period from stocks of 9,000 bales on August 1, 1955. The reduction in stocks was attributed by the cotton trade to the "price risk" prevalent in world cotton markets, but the rate of Danish buying must increase somewhat if present consumption levels are to be maintained.

BRITAIN INCREASES AGRICULTURAL GUARANTEES

A decision to increase the value of agricultural guarantees to United Kingdom farmers by a total of \$70 million, on a yearly basis, was the outcome of the annual farm price review recently held in accordance with the Agriculture Act, 1947. This decision was taken in view of the increase in farm costs, estimated at \$90 million, on a yearly basis, for supported commodities, partly counterbalanced by the increasing efficiency of the farming industry.

Adjustments in the various guarantees have been made to give farmers added incentives to substitute home-grown produce, mainly grass and other feeds, for imports, and to economize on the use of imported materials. This according to the White Paper (Cmd 9721), "will increase the net output of agriculture more economically than would an indiscriminate expansion of end-products; and will bring greater and more certain relief to the balance of payments."

In line with these objectives, guaranteed prices are to be increased for fat cattle (by 10 percent); fat sheep and lambs; milk (by 1 percent); barley; oats; potatoes; and sugar beets. But they are to be reduced for wheat (by 5 percent); rye; wool; hogs (by 1 percent); and duck eggs. The price guarantee for hen eggs remains unchanged. Further to encourage beef production, the subsidy on steer calves is also to be increased.

Finally, increased subsidies will be paid on nitrogen and phosphate fertilizers, and under the marginal production schemes so far as work on marginal farms is concerned, and grants will be made toward the construction of silos. The new subsidy rates and the new price guarantees for livestock and livestock products come into operation in 1956-57, whereas the new crop guarantees apply to the 1957 harvest.

The increase in the aggregate value of the agricultural guarantees does not necessarily mean an increased cost to the Treasury, since payments on commodities must be made only if, and to the extent that, farm prices fall below the guaranteed prices. In 1955, the value of the agricultural guarantees was increased by \$78 million a year, but, as stated in Parliament on March 8, 1956, the total cost of agricultural support (exclusive of consumer subsidies on food, which aid the producer in part) dropped by about \$76 million to \$598 million for the financial year ending March 31, 1956. Net farm income in 1955-56, including agricultural guarantee payments, is presently forecast at \$859 million.

